

Senate File 454 - Introduced

SENATE FILE 454

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A BILL FOR

1 An Act relating to administrative operations space cost
2 limitations applicable to a Medicaid managed care
3 organization.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. MEDICAID MANAGED CARE ORGANIZATION —
 2 ADMINISTRATIVE OPERATIONS SPACE — COST LIMITATIONS. The
 3 department of human services shall contractually require that
 4 a Medicaid managed care organization limit the costs for
 5 the leasing of administrative operations space in the state
 6 to a reasonable amount. For the purposes of this section,
 7 "reasonable amount" means an amount that is no more than fifty
 8 percent of the highest rate for rental of commercial office
 9 space per square foot in the state. A Medicaid managed care
 10 organization shall submit a copy of any lease agreement for
 11 administrative operations space in the state to the department
 12 of human services to ensure compliance, and the department
 13 shall make such agreement available to the public as part of
 14 the Medicaid managed care annual report.

15 EXPLANATION

16 The inclusion of this explanation does not constitute agreement with
 17 the explanation's substance by the members of the general assembly.

18 This bill requires the department of human services (DHS) to
 19 contractually require that a Medicaid managed care organization
 20 (MCO) limit the costs for the leasing of administrative
 21 operations space in the state to a reasonable amount. The bill
 22 defines "reasonable amount" as an amount that is no more than
 23 50 percent of the highest rate for rental of commercial office
 24 space per square foot in the state. The bill also requires
 25 an MCO to submit a copy of any lease agreement for rental of
 26 administrative operations space in the state to DHS to ensure
 27 compliance and requires DHS to make the agreement available to
 28 the public as part of the Medicaid managed care annual report.